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ADM-10.7

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DD/ST# 57401/46

ORD 4924-66

4 November 1966

MEMORANDUM FOR: Executive Officer/DD/S&T

SUBJECT : Project Officers Handbook

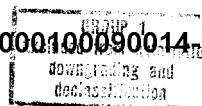
REFERENCE : a) ORD 4634-66 dated 21 October 1966,  
Same Subject  
b) ORD 3313-66, Same Subject

1. The above references indicate earlier comments by ORD on portions of the handbook. For this review I am assuming that the comments contained in the handbook are not in conflict with the Logistics handbook on procurement, [REDACTED] 25X1A

2. General Comments. We believe there is a need for a DD/S&T project officers handbook and that much of the material in this draft is appropriate and useful to such a handbook. There is a certain amount of redundancy when compared with the Logistics handbook which may discourage its use by the project officers. There is a very serious error of omission which we emphasized before; namely, it does not contain sections which define the processing of proposals through the DD/S&T Staff nor does it outline the specific authority and responsibilities of those who review proposals. Our experience in the past two years provides ample evidence that this is a critical deficiency in the present system. The DD/S&T project officers handbook cannot serve its purpose and is incomplete until this portion of the system is defined and spelled out in considerable detail. We note in the introductory remarks by the DD/S&T that the information in the handbook includes, among other things, "guides and checklists which are not applicable to all efforts." The tenor of much of the remainder of the handbook does not reinforce this statement.

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SUBJECT: Project Officers Handbook

3. Specific Comments

a. 1.1.5., p. 8. As indicated in an earlier memo, we are opposed to establishing a dollar limit which determines whether the Office of Logistics requests a technical proposal or whether it is done by the technical officer. It is often to the advantage of the technical officer and the Agency to know the cost of particular portions of a proposal prior to technical discussions with the contractor if he is to make adequate technical decisions prior to Office of Logistics negotiations.

b. 1.1.5., p. 9. It appears that the Chief, Procurement Management Staff of DD/S&T is the sole channel to the Office of Logistics. We are sure this was not intended since he could not possibly handle all negotiations and queries to the Office of Logistics for all the DD/S&T offices. He could, however, provide useful policy guidance and assistance in special cases and, of course, support the DD/S&T.

c. 1.2.1., p. 2. Same comment as above regarding solicitation of proposals.

d. 1.2.2.1.1., p. 4. Whether a proposal provides examples of successful completion of similar projects is a doubtful basis upon which to judge a contractor, particularly in research and development. There are other more reliable methods listed which can be verified more accurately.

e. 1.2.2.2., p. 8. Justification for the selection of a contractor should be required. The format and the weighing of the factors involved should be left to the discretion of the Office in each specific case.

f. 1.2.2.3., p. 9. As we indicated in an earlier memo, we are in favor of informing contractors promptly as to the acceptance or rejection of their proposals. We do not believe it is desirable to give them specific reasons for our selection.

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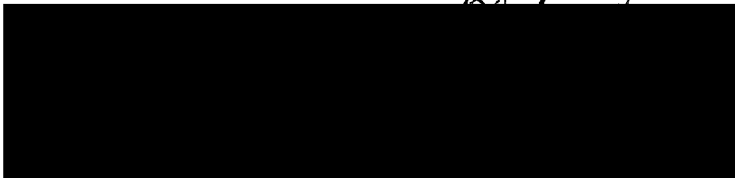
SUBJECT: Project Officer's Handbook

g. 1.3.1.2., p. 3. From the standpoint of control of overruns, it would seem more logical to determine approval of overruns based on the percentage of overrun rather than the percentage of contract price since there is already a mechanism to limit the approving authority of an office director, etc. Aren't you really looking for unusually high overruns?

h. 1.4.2.2., p. 1. We do not believe that the Design Review Board procedure should be part of the handbook, although it may serve a very useful purpose in some cases. You might wish to make this an appendix or separate paper for reference in those cases where a review board is desired by a specific office. By including it in the handbook, you have institutionalized a procedure which is not mandatory, the opening paragraph notwithstanding.

4. Under the major heading "Administration," you no doubt are aware that many of the terms as well as the format of the ADP form have been changed. These, of course, need to be updated. We have a number of specific comments which we will be happy to take up with your staff at your convenience. It seems to us that the most important requirement is to be certain that the ADPCI system objectives are clearly defined and that the format be such that the document is useful not only to the DD/S&T for management but also to the offices for a variety of other purposes. In this regard, we feel it is extremely important that changes in the ADPCI system be uniform and taken from the same document. The current system does not provide for this which results in a great deal of unnecessary activity on the part of the B&F Officers on the DD/S&T Staff and also the DD/S&T offices. This has been discussed with the Staff at a previous meeting.

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Deputy Director  
of  
Research and Development

Attachment

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